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Pennsylvania Allegheny County Department of Human Services

Evaluation of a Predictive Risk Modeling Tool for Improving the Decisions of Child Welfare Workers

January 4, 2015 3:00 PM

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PUBLIC CONSULTING GROUP

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I. Executive Summary

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I. EXECUTIVE SUMMARY

Allegheny County seeks assistance of a vendor for a process and impact evaluation of its child welfare Predictive Risk Modeling (PRM) tool. The purpose of the PRM tool is to improve the screening process/outcomes of calls related to suspected child maltreatment. Public Consulting Group (PCG) respectfully and enthusiastically responds to the process evaluation portion of the RFP through this proposal response. PCG can support the County in accomplishing the identified goals through our combination of nationally recognized child welfare program and practice expertise, sound statistical methodologies, and depth of knowledge of the Pennsylvania child welfare system. More than that, though, we understand the real mission of child welfare organizations in serving and protecting children. The tools, the processes, and the methodologies are the means to allow Allegheny to continue to be recognized as a national leader in innovation and program excellence.

The results of this project and subsequent operationalization of the PRM tools will result in decreased staff turnover, improved outcomes and well-being for children and families, process and timeliness efficiencies, cost reductions, and revenue maximization. With these goals in mind, PCG will offer sound feedback and guidance on achieving the maximum value from the implementation of the tools.

Decision Support Issues and Proposed Solution

Allegheny County provided a great array of starting questions to be considered by the vendor community; we will validate those and add to them by conducting interviews with the call screeners to identify trends and patterns. These interviews inform further development and confirmation of which questions should be asked, or addressed in a different way to yield the greatest degree of insight. This approach of discovery and exploration is conducted by honing in on the specific issues, iteratively identifying and asking more questions, and conducting in-depth root cause evaluation and analyses.

PCG will carry out all tasks in close collaboration with designated Allegheny County staff. We view this engagement, as we do all of our projects, as a true partnership. As we develop our report and recommendations we will ensure that we are being thorough in addressing all required elements and observed opportunities of the evaluation. Our final deliverable will not leave you with just another report for you to puzzle through, but with a realistic, actionable roadmap that can help Allegheny County move into immediate action to continuously improve its efforts to ensure the safety, permanency, and well-being needs of vulnerable children and families in your community. If you have any questions on any information we provided in this response, please feel free to contact Carole Hussey at 617-426-2026 or chussey@pcgus.com.

Sincerely

Kathleen Fallon
Practice Area Director

II. Narrative

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II. NARRATIVE

Organizational Experience

PCG is a management consulting firm that was founded in 1986 and primarily serves public sector human services, education, health, and other state, county, and municipal government clients. PCG employs over 1,700 professionals in nearly 60 offices across the United States, Canada, and Europe, including two offices in Pennsylvania. The firm has developed a deep understanding of the legal and regulatory requirements and fiscal constraints that often dictate a public agency's ability to meet the needs of the populations it serves. We have helped numerous state and county child welfare organizations make better management decisions, ensure federal and state compliance, and improve client outcomes.

With a national presence in states around the country and intimate knowledge of the needs of county agencies within state-supervised child welfare systems, PCG is ready to hit the ground running on day one of this engagement with Allegheny County. Within Human Services, PCG's Child Welfare and Youth Services Center of Excellence provides a number of consulting services, including business process mapping, evaluation and tracking of program efficacy, revenue management solutions, revenue maximization, cost allocation, random moment time study, rate setting, regulatory compliance, benefit advocacy, and public-private provider relationship management – all of which contribute to the efficient and effective administration and operation of child and family programs.

We have firsthand experience of the difficulties and challenges that almost every child protection agency faces in its day-to-day operations, including swiftly changing technology demands, challenging economic times, staff recruitment and retention issues, state and federal regulations, adjusting to meet population demands, and ensuring that behavioral health, physical health, and educational systems are acting in the best interests of families and children served.

PCG has assembled a team highly experienced in child welfare systems planning, operational design, and the development of system changes and interventions designed to improve safety, permanency, and well-being outcomes. Our team has deep and broad expertise in child welfare, from the frontline to the Executive suite, and at Federal, state, and local levels. We are committed to the ongoing and complete support of Allegheny County by providing expert advice that includes review and incorporation of nationally recognized best practices, thorough analysis and review of data and business processes, incorporation of employee opinions and concerns, partner outreach, clear and direct reporting of findings and recommendations, and continued follow-up at the discretion of the county.

Approach to Process Evaluation

This evaluation requires subject matter expertise and the ability to plan, coordinate, execute an analysis and provide valuable feedback. As a flexible, mid-size firm stocked with child welfare experts, PCG brings the knowledge, know-how, and capacity to complete a meaningful evaluation. Our strategy for this evaluation is informed by similar evaluations we have completed in the health and human services world and our experience working with the Pennsylvania child welfare system and its county agencies. We will accomplish the project objectives set forth in this Request for Proposal by identifying and assessing the following results of the PRM tool in Allegheny County:

1) **Effects on CYF call screeners and other users;**
2) **Practice and policy implications**
3) **Perceptions and reactions by CYF leadership and the broader set of community partners.**

To fulfill these goals, PCG will complete the following key steps of work in this project.

Step 1: Preparation and Research

Upon receipt of a signed contract, our team will immediately develop a preliminary information request pertaining to DHS' strategy and operations, focusing on all guiding documents and policies/procedures related to child welfare. Any information we could obtain electronically prior to the project entrance conference will help us validate our work plan and assessment protocol. We will review this preliminary list with DHS staff to make sure we only request information that is relevant and will contribute to the assessment.

Project Entrance Conference

The PCG team will conduct a project entrance conference in Allegheny County at the onset of the engagement. The purpose of this entrance conference is to organize the elements of this analysis, which will be essential for PCG to provide the County with a successful and well-managed project. These elements include a work plan, and an agreement on the key informants/stakeholders to engage in the Information Gathering

phase (refer to the box on the following page for further descriptions of these elements). We will request specific points of contact within DHS as well as identified key stakeholders from other agencies and the community. A working relationship with these points of contacts will be critical to maintaining open and ongoing communication throughout the analysis and production of the final report.

PCG will engage with County leadership in a detailed discussion of who should be involved in the interviews and focus groups, reviewing key deliverables, and key decision-making regarding developing the work plan, finalizing information gathering plans, and any other issues pertinent to project success. We will also engage in a frank discussion about the risks involved in the project in order to develop a risk register that anticipates problems, and outlines how to solve them, should the problem arise.

After the project entrance conference, PCG will deliver draft versions of the work plan, communication approach, risk register, and list of key informants/stakeholders. We will engage in a discussion with Allegheny County leadership to incorporate feedback and edits, and produce final versions of each. These documents will remain active and dynamic through the course of the project. A key element of the communication approach will be bi-weekly project meetings involving the project team and DHS contacts. These meetings will be used to review project progress, milestones, upcoming plans, and significant findings.

Ongoing Research

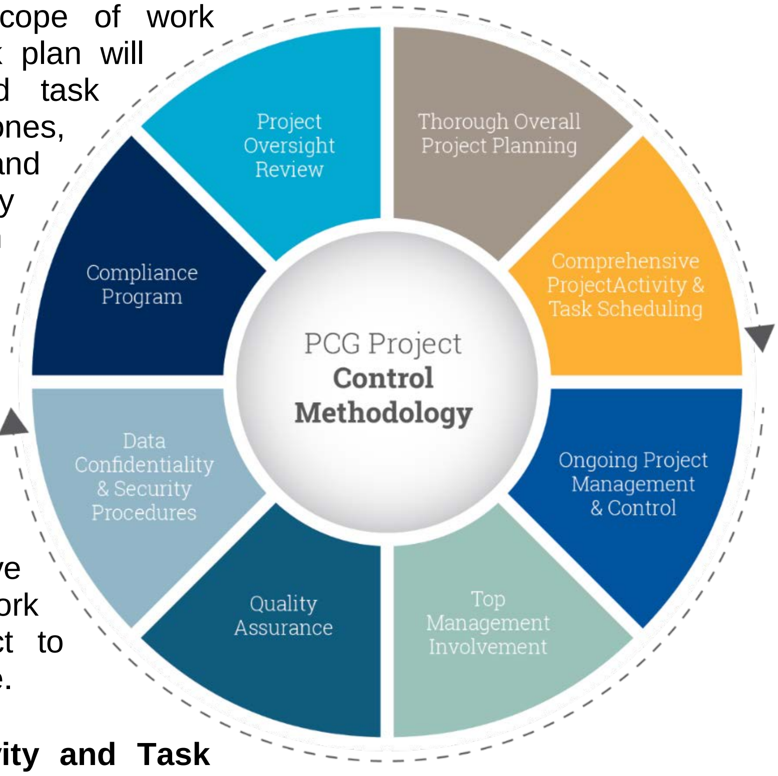
PCG will draw upon our nationally-recognized subject matter experts in organizational effectiveness, child welfare practice models, and child welfare service delivery and evaluation to synthesize expertise and research that will be useful for Allegheny County. PCG will conduct additional research on evidence-based and best practices to support an effective evaluation of the operational application of the PRM tool.

Our team will be guided by subject matter experts with experience in running child welfare systems to ensure relevant and accurate information is gathered for the project. Research is an ongoing activity that will begin as soon as the contract is awarded and continue through the finalization of the report. By the time the draft report is completed, we are confident that the national level research of evidence-based and best practices will add depth to our analysis.

Project Management

PCG uses a well-honed management control process based on Project Management Institute (PMI) guidelines in order to consistently meet performance standards. We will use our Project Control Methodology to ensure that the appropriate level of attention is given to the evaluation and that the quality of our team’s performance meets the highest standards. Our project team employs a methodology that has proven to be successful on numerous large- and small-scale engagements. We base our project control methodology upon the following key aspects that are continually implemented throughout our projects:

- **Thorough Overall Project Planning** involves the use of a detailed, holistic work plan that demonstrates a shared understanding of the project goals as well as a detailed agreement on the scope of work expected from PCG. The work plan will identify specific resource and task assignments, contract milestones, contract deliverables and timeframes for each. Other key elements of the project plan include a listing of all internal and external stakeholders related to Allegheny County DHS and a plan for engaging in appropriate levels of communication with stakeholders to meet project goals. The detailed work plan is a living document that will serve as a roadmap during PCG's work with DHS and will be subject to revision as circumstances dictate.



- **Comprehensive Project Activity and Task Scheduling** involves the use of project timetables that specify detailed task schedules. The final project schedule will be communicated to all team members and used as a guide for continuous progress evaluation. DHS, and others, will be kept fully informed of activity progress and will be involved in each step of the process.

- **Ongoing Project Management and Control** includes the monitoring of work performance by task and regular written/oral status reports. As part of our efforts to maintain tight project control, we involve experienced team members through the implementation process and make use of internal control tools.

- **Top Management Involvement** involves regular input and supervision from PCG managers and senior consultants. Our team will be subject to frequent and rigorous internal reviews.

- **Quality Assurance** involves review of project progress and results by project management and expert technical advisors. Our quality assurance procedures are designed to ensure that actual project performance will exceed that of anticipated project performance in terms of time, cost, and deliverables.

- **Data Confidentiality and Security Procedures** are paramount to us due to the nature of our work with public sector clients and the sensitivity of the data involved in performing complex initiatives.

- **PCG's Compliance Program** features a designated compliance officer to monitor compliance and provide guidance for implementing all proposed initiatives. This technical advisor's involvement at project outset—and throughout the engagement—provides technical guidance to the project team concerning applicable state/federal regulations and supports compliance with contract requirements. Top management within PCG provides internal consultation to the work of our project team in the areas of information technology, state and federal regulations, and overall operations.

PCG will develop a detailed project schedule that serves as the operational tool for managing and controlling the project. The project schedule allows for careful sequencing of work packages and project deliverables that is done with consideration of pre-conditions, predecessors, and dependency relationships. PCG is accustomed to using various tools to develop project schedules. PCG will use Microsoft Project or Microsoft Excel (whatever is preferred by DHS) to develop a High-Level Project Schedule.

Work Product: Project Entrance Conference; Finalized Project Plan

Step 2: Evaluation Design

Development and Approval of Design

PCG will recommend a comprehensive method for analyzing and evaluating the effectiveness and use of the PRM tool in DHS. We will identify metrics to measure employees' engagement of the tool in their day-to-day work. Outcomes that cannot be feasibly measured directly will be estimated using quasi-metrics, which will provide an instrumental measurement for evaluation purposes. PCG will identify ideal and sub-par ranges for each of these metrics and quasi-metrics to be represented in a dashboard which PCG will develop. The dashboard will alert DHS leadership when the tool is not functioning at targeted levels with respect to the reporting outcomes. It will provide a process measure to assess the use of the PRM, within the context of varied levels of Allegheny County staff. Our evaluation design, including the dashboard, will be presented to DHS leadership for feedback and approval. PCG will then edit and finalized the design, incorporating DHS feedback.

Work Product: Approved Evaluation Design

Step 3: Information Gathering

In this step, PCG will collect all necessary information needed to provide additional context into daily operations at DHS and the planned implementation of the PRM tool. Specific tasks including the following:

Submission of Information Request

In order to provide DHS with the most beneficial, insightful evaluation of the PRM tool, PCG must develop a thorough understanding of the organization and duties of DHS child welfare staff. To ensure this, PCG will request and complete a review of the DHS child welfare structure, caseworker duties and referral statistics. In addition, PCG will request and review existing training materials on the PRM tool. Evaluating the duties and training of the staff, specifically the call screeners that receive the referrals, will allow PCG to better understand the procedures of DHS child welfare and provide beneficial feedback on the PRM tool.

Policies and Regulations Review

Not only will PCG identify and review relevant county policies and procedures, we will also review relevant state and federal laws and regulations regarding child welfare. This will allow us to compare the written policy and procedures with the workers' everyday application. If we uncover areas of concern, we will document the concern and implications, along with a recommendation for remediation.

WORK PRODUCT: Information Request; Policies and Regulations Review

Step 4: Worker Assessment

We will employ a multi-tiered approach to collecting data and information about the usage of the PRM in DHS centers on the ground. Various methods of data collection will allow us to obtain assessments of the PRM tool's usage from multiple perspectives at DHS; these will include job shadowing and interviewing of the call screeners who utilize the PRM tool as well as focus groups with frontline workers, child welfare management, and court staff to obtain their assessments of the PRM tool. By requesting specific points of contact within DHS child welfare, as well as identified key stakeholders from other agencies and the community, we will also maintain open and ongoing communication throughout the analysis and development of the plan for assessing validity.

Development of Data Collection Instrument

PCG will design and develop a data collection instrument to be employed in each data collection activity. Once drafted, the job shadowing, focus group, interview, and survey tools will be provided to DHS leadership for feedback and approval. These will include example questions and logistics that detail how the tools will be utilized. Each tool will be finalized to incorporate DHS leadership input before data collection begins.

Worker Shadowing Sessions and Focus Groups

Direct communication and contact with individuals using the tool will be an integral component in our data collection process. We will implement shadowing (observation) sessions, and focus group interviews to gain first-hand, anecdotal information about the use of the tool:

- Shadowing: During shadowing of the call screeners, we will sit with the screeners and observe their daily tasks and duties. During this phase of work, we will also

determine how certain decisions are made, such as the decision to investigate and the timeframe in which this decision is made. In addition, we will evaluate the actual use of tool, assessing if and how workers interpret and incorporate the same data into their assessments differently. For example, we will provide workers with the same hypothetical scenario and assess the range, if any, of their responses via the PRM tool. Interviews with call screeners will allow us to get an in-depth, firsthand understanding of the strengths and challenges associated with the PRM tool.

- Focus Group Interviews: During interviewing of the call screeners, we will ask probing questions to understand any barriers, from their perspective, in making a complete and accurate assessment of risk during and after a referral is received. Focus groups will be held with select frontline caseworkers, management, principal researchers and court staff. There will be approximately one site visit to conduct the focus group interviews. The site visit will be staffed by at least two PCG staff. We will utilize a standardized process for conducting as well as documenting the results of each focus group in a standardized fashion so that results can be combined for analysis. We will prepare specific questions prior to the focus groups that will include, at a minimum, the following topics:

    - Process of using the PRM tool
    - How the PRM tool has changed their experience with DHS
    - Strengths and weaknesses of the tool
    - Confidence in the tool accurately assessing risk

We anticipate conducting approximately two interviews with call screeners in small groups during our site visit.

Worker Surveys

To gather a large amount of information, giving all DHS child welfare frontline staff an opportunity to provide input, PCG will administer targeted web surveys. The surveys will be designed to help understand how the staff work with the PRM tool, if it is being used consistently, and how different parts of DHS child welfare work together. The questions, by design, will include objective and subjective content to derive perspective insight from the workers. These web surveys will be developed and managed by PCG. The surveys will allow us to obtain a large amount of valuable feedback quickly and with limited legwork.

PCG will work closely with DHS to identify a representative sample of child welfare staff to participate in the survey. For the survey, we will work with DHS to develop a survey that is an easily accessible electronic-based survey. We anticipate the survey to be open for a period of 2-4 weeks.

The following are examples of questions that will be included in the surveys:

- How accurate is the assessment of risk received from the referral?
- What is the average length of time to receive a case after referral?
    - Has this time increased/decreased?

- Does the PRM tool provide adequate information prior to meeting the family?
  - o Does there need to be a follow up conversation with the call screener?
- Is the PRM tool used again after initial contact with the family?

Analysis

Once our team has completed the process of gathering information from the sources described above, we will analyze the information collected using what we have learned combined with our previous knowledge and subject matter expertise. There may be a need to validate the information received or obtain clarification where there are conflicts or missing information. We will work with DHS to resolves these information gaps as required. Based on this information, PCG will provide feedback to Allegheny County DHS on suggested ways to improve implementation of the PRM tool and subsequent approaches to measure impact of implemented interventions. We will provide a brief summarized analysis on these findings to DHS, which will then incorporated into our final report.

WORK PRODUCT: Worker Data Collection; Summarized Analysis

Step 5: Partner Outreach

Partner Surveys and Interviews

A key element of the process evaluation is the assessment of partners' perspectives and value of the PRM. To ensure that their voices are heard, PCG will create and deploy a survey to partners, such as CYF leadership and the Courts, to gain insight into the impacts of the PRM on the regional child welfare system at large. The perceptions and reactions of the CYS and DHS' community partners will highlight the successes and opportunities for improvement in using the PRM tool. These insights will inform recommendations to be included in our final reports.

WORK PRODUCT: Partner Surveys and Interviews

Step 6: Business Process Analysis

PCG will use the understanding gained in *Steps 1-5* as a contextual backdrop for a Business Process Analysis. PCG employs a proven methodology based on the International Institute of Business Analysis™ (IIBA) Business Analysis Body of Knowledge (BABOK®) to assess the strengths and gaps of an organization, reviewing its capacity and assets, comparing it to best practices, and identifying the root causes of operational strengths and gaps. We will enter this County system with a wealth of industry knowledge, understanding of national best practices, and mastery of child welfare. We can offer DHS an objective, thorough assessment of the PRM, both pre and post implementation, and help DHS make deliberate efforts to perfect its use.

Process Mapping

Using data collected in the previous steps, we will produce a detailed process map which will provide a valuable tool for learning about the use of the tool and expose

strengths and weaknesses. For this evaluation we will employ the following steps for process mapping:

1. Identify the process steps: steps are the discrete tasks within a process that have a specific stop and start. We will chart the major process steps and identify start and end points.
2. Identify the actors and/or departments: look at the process across different individuals and departments involved in completing a given step.
3. Identify process checkpoints: given that most processes are not linear, we will identify various decision points, quality checks, corrections, and rework. These "checkpoints" will help identify how often processes move along the various paths. Here, we will pay close attention to correction/rework loops to call out areas for improvement.
4. Validation session with key stakeholders: Our interpretation of the data to map to a process may not align directly with how users view their unique tasks. A crucial step in finalizing the process map will be to distribute the process map to key stakeholders for review, followed up with a validation session during which we will walk through the process map, talk through concerns, and address feedback.

Identification of Opportunities and Development of KPIs

1. Process score-card: Provides a quick snapshot of current inefficiencies and identify opportunities for improvement.
2. Create Opportunities Tracker: inefficiencies and their associated opportunities will be collated into an Opportunities Tracker, which will allow us to organize findings and guide the next activity, the Root Cause Analysis.
3. Root Cause Analysis and creation of: systematically identify barriers to efficiency and their root causes. During this process we will validate inefficiencies/issues gathered to date, and identify additional inefficiencies/issues. During this process, we take symptoms uncovered throughout the process analysis and trace them to their root causes. Once root causes have been defined, we update the Opportunity Tracker, which now includes a comprehensive list and description of process issues and their respective root causes.

WORK PRODUCT: Validated Process Models; Opportunity Tracker with KPIs

Step 7: Project Completion and Follow-Up

To close-out our project, we will compile our findings and analysis into final reports that will provide DHS will insight into the process. The reports will include the following elements:

- *Process Map:* These written elements will identify the strengths and gaps of the PRM tool. The process map will illustrate the functions/roles, steps, and decision points involved with the PRM tool. Using the map and timeline, and other analysis conducted, we will identify procedures to streamline the referral risk assessment and case assignment process.

- *Recommendations:* Making certain that all DHS child welfare workers have the same interpretation and follow through of policy and procedures of the PRM tool is imperative for the tool to work effectively. PCG will make recommendations to decrease the potential for various interpretations. These recommendations may include items such as, releasing memos often, having an ongoing Q&A document that is accessible online, and having regular meetings and trainings with child welfare staff.
- *Timeline:* Upon the development of a set of recommendations, PCG will leverage its knowledge of business operations and infrastructural needs to provide high-level implementation parameters – how long it would take to implement a recommendation, how much effort would be required, and the degree that the change would impact staff. The parameters will also include the incremental steps involved to implement a change most effectively.

Pre-Implementation Report

PCG will prepare a report that details our findings before the full implementation of the PRM tool. This will afford the County an opportunity to modify the implementation approach to contribute toward a more successful roll-out of the tool. This report will offer an executive summary, narrative on our data collection methodology, and findings from our multiple data collection methods, focusing on significant data points that provide opportunities for improvement in implementing the PRM tool. We will collaborate with the County as drafts are developed and seek approval before final publication.

Post-Implementation Report

Similar to the pre-implementation report, PCG will develop a post-implementation report that demonstrates the process impacts of the tool's implementation across the identified process areas and positions. Again, we will collaborate with the County as drafts are developed and seek approval before final publication.

WORK PRODUCT: Pre-Implementation Report; Post-Implementation Report

Assumptions:

All of this work will rely heavily on our ability to gather the information needed to inform our analysis. As part of our approach we have identified some assumptions which our success in the previously described processes will rely on:

- ***Access to staff***: Moving into the information gathering component, it will be imperative that we have cooperation from staff at all levels of the organization to ensure comprehensive and accurate collection of the data we need.
- ***Open and direct responsiveness to information requests*****:** information requests will be a key way for PCG staff to fully understand the use of the tool and conduct a full analysis
- ***Access to the tool:*** the PCG team is comprised of experts in the field of Child Welfare, and the activities of business process analysis; our ability to access and utilize the tool in question will drive our understanding of the power of the tool, and inform identification of opportunities and key process indicators.

III. Budget and Budget Narrative

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III. Budget and Budget Narrative

PCG offers this proposal to the Allegheny County Department of Human Services for a firm fixed price of $[redacted] for a period of one year. PCG's fixed price includes all phases of the project identified herein to complete the defined scope of services. This price is substantially discounted from our standard published rates. We are offering this work to you because we believe in the project and want to be part of moving the needle toward predictive analytics in child welfare in the U.S. Our commitment to the mission of serving and protecting children is indicative in our contributions to this important opportunity. The following line items are included in this price:

Task	Start	End
Step One: Preparation and Research	January 19, 2016	December 30, 2016
Project Entrance Conference		
Ongoing Research		
Project Management		
Step Two: Evaluation Design	January 19, 2016	February 5, 2016
Present evaluation design		
Edit evaluation design		
Approve evaluation design		
Step Three: Information Gathering	February 8, 2016	February 22, 2016
Step Four: Worker Assessment	February 23, 2016	April 15, 2016
Step Five: Business Process Analysis	February 23, 2016	December 30, 2016
Review as-is process models		
Review to-be process model		
Identify opportunity areas		
Develop KPIs		
Step Six: Partner Outreach	March 1, 2016	April 29, 2016
Conduct stakeholder analysis		
Conduct survey		
Conduct interviews		
Step Seven: Project Completion	March 1, 2016	December 30, 2016
Pre-Implementation Report		
Post-Implementation Report		

This price is valid for 120 days. Please see attachment G for our requested separate excel budget document and out audited financial statements. PCG is a for profit organization and the audited financial statements are not publicly available.

IV. References

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IV. REFERENCES

1. The Commonwealth of Massachusetts Executive Office of Health & Human Services (EOHHS) Department of Transitional Assistance
a. Name: Deborah Matteodo, Director of Business Process Redesign **b. Affiliation:** MA Department of Transitional Assistance **c. Email Address:** Deborah.Matteodo@state.ma.us **d. Phone Number:** 617-348-5586
2. Commonwealth of Kentucky Department of Community Based Service
a. Name: Adria Johnson, Commissioner **b. Affiliation:** Department of Community Based Services **c. Email Address:** adria.johnson@ky.gov **d. Phone Number:** 502-564-3703
3. Commonwealth of Pennsylvania Department of Human Services
a. Name: Jill Reeder, Director **b. Affiliation:** Department of Human Services **c. Email Address:** jreeder@pa.gov **d. Phone Number:** 717-772-7098

V. Required Attachments

a. Cover Page
b. MWDBE Participation Statement Form
c. W9
d. Vendor Creation Form
e. CVs/Resumes
f. Organizational Chart
g. Budget Excel Document and Audited Financial Statements

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a. Cover Page

V. REQUIRED ATTACHMENTS

a. COVER PAGE

ALLEGHENY COUNTY
DEPARTMENT OF HUMAN SERVICES
PROPOSAL COVER PAGE

SOLICITATION: Evaluation of a Predictive Risk Modeling Tool for Improving the Decisions of Child Welfare Workers

Contact Information
ORGANIZATION OR INDIVIDUAL: Public Consulting Group, Inc. **AUTHORIZED REPRESENTATIVE:** Carole Hussey **Name:** Carole Hussey **Title:** Associate Manager **ADDRESS:** 148 State Street, 10th Floor Boston, MA 02109 **TELEPHONE #:** 617-426-2026 **FAX #:** 617-426-4632 **E-MAIL ADDRESS:** chussey@pcgus.com **WEBSITE:** http://www.publicconsultinggroup.com/

Proposal Information
DATE SUBMITTED: January 4th 2016 **AMOUNT REQUESTED:** [redacted] ***PROPOSAL ABSTRACT:** Our proposal considers that this evaluation requires subject matter expertise and the ability to plan, coordinate, execute an analysis and provide valuable feedback. As a flexible, mid-size firm stocked with child welfare experts, PCG brings the knowledge, know-how, and capacity to complete a meaningful evaluation. Our strategy for this evaluation is informed by similar evaluations we have completed in the health and human services world and our experience working with the Pennsylvania child welfare system and its county agencies. This proposal is comprised of seven steps which will be carried out in close collaboration with designated Allegheny County Staff.

*Please limit your response to 750 characters

Please check each of the following before submitting your Proposal:

☐My firm is registered with the Allegheny County Department of Minority, Women and Disadvantaged Business Enterprises

■By submitting this proposal, I agree that, if offered a contract award, I will comply with the standard County terms and conditions for County contracts.

■ By submitting this proposal, I agree to comply with DHS Cyber Security, EEOC/Non-Discrimination and HIPAA requirements.

■ By submitting this proposal, I certify and represent to the County that all submitted materials are true and accurate, and that I have not offered, conferred or agreed to confer any pecuniary benefit or other thing of value for the receipt of special treatment, advantaged information, recipient’s decision, opinion, recommendation, vote or any other exercise of discretion concerning this RFP.

b. MWDBE Participation Statement Form

b. MWDBE PARTICIPATION STATEMENT FORM

COUNTY OF ALLEGHENY
M/W/DBE PARTICIPATION STATEMENT
Failure to complete this form and submit it with your contract may cause delays in processing
SOLICITATION AND COMMITMENT
MINORITY, WOMEN AND DISADVANTAGED BUSINESS ENTERPRISES

FISCAL YEAR/PERIOD	NAME OF PROVIDER	ADDRESS	PHONE NUMBER
2016	Public Consulting Group	148 State Street, Boston, MA 02109	617-426-2026

List below ALL M/W/DBE's that were solicited – whether or not commitment was obtained – Copy this form as necessary

MBE ☐ WBE ☐ DBE ☐	TYPES OF SUBCONTRACT WORK OR MATERIALS	DATE SOLICITED	COMMITMENT MADE ☐ YES ☐ NO	GIVE REASON(S) IF NO COMMITMENT MADE
CERTIFIED BY:				
COMPANY NAME		SOLICITATION METHOD	(IF YES GIVE DATE) MO DAY YR	
ADDRESS				
CONTACT PERSON/PHONE			AMOUNT COMMITTED $	
EMAIL		QUOTE RECEIVED ☐ YES ☐ NO	% OF TOTAL BID	

MBE ☐ WBE ☐ DBE ☐	TYPES OF SUBCONTRACT WORK OR MATERIALS	DATE SOLICITED	COMMITMENT MADE ☐ YES ☐ NO	GIVE REASON(S) IF NO COMMITMENT MADE
CERTIFIED BY:				
COMPANY NAME		SOLICITATION METHOD	(IF YES GIVE DATE) MO DAY YR	
ADDRESS				
CONTACT PERSON/PHONE			AMOUNT COMMITTED $	
EMAIL		QUOTE RECEIVED ☐ YES ☐ NO	% OF TOTAL BID	

MBE ☐ WBE ☐ DBE ☐	TYPES OF SUBCONTRACT WORK OR MATERIALS	DATE SOLICITED	COMMITMENT MADE ☐ YES ☐ NO	GIVE REASON(S) IF NO COMMITMENT MADE
CERTIFIED BY:				
COMPANY NAME		SOLICITATION METHOD	(IF YES GIVE DATE) MO DAY YR	
ADDRESS				
CONTACT PERSON/PHONE			AMOUNT COMMITTED $	
EMAIL		QUOTE RECEIVED ☐ YES ☐ NO	% OF TOTAL BID	

Prepared By: Kathleen Fallon Title: Practice Area Director Date: 12/28/2015 Signature: Kathleen Fallon

c. W9

c. W9

Form **W-9**
(Rev. October 2007)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above
Public Consulting Group, Inc.

Check appropriate box: ☐ Individual/Sole proprietor ☑ Corporation ☐ Partnership ☐ Exempt payee
☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶
☐ Other (see instructions) ▶

Address (number, street, and apt. or suite no.)
148 State Street, 10th Floor

Requester's name and address (optional)

City, state, and ZIP code
Boston, MA 02109

List account number(s) here (optional)

Part I **Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

or

Employer identification number
[redacted]

Part II **Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here **Signature of U.S. person ▶** Date ▶ 12/28/15

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

Cat. No. 10231X Form **W-9** (Rev. 10-2007)

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 7[2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.ssa.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov.* You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.consumer.gov/idtheft* or 1-877-IDTHEFT(438-4338).

Visit the IRS website at *www.irs.gov* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

d. Vendor Creation Form

d. VENDOR CREATION FORM

Allegheny County

Vendor Creation Form

Controller's use only:

Supplier No.______________________

1099 Eligibility: ☐ Yes ☐ No

☒ Add ☐Change Supplier No. _____

Company Information:

Public Consulting Group, Inc.

Company Name (Please type or print)

Federal Tax ID (TIN)

[redacted]

Original W-9 must be attached

Required information

Type of Service Provided

☒ Independent Contractor
☐ Maintenance/Service Agreement
☐ Insurance
☐ Personal Reimbursement
☐ Other (please list)

☐ Rent
☐ Care Giver
☐ Legal
☐ Medical

Type of Commodity Provided

(please describe below)

Consulting Services for the Evaluation of a Predictive Risk Modeling Tool for Improving the Decisions of Child Welfare Workers

Required Information

Minority Or Women Owned ☐ Yes ☒ No

If yes select ethnicity and gender of the vendor below:

☐ Asian Pacific American
☐ Black American
☐ Hispanic American
☐ Native American
☐ Subcontinent Asian American
☐ Non-Minority Woman
☐ Other

If Yes ☐Male ☐Female

Certified By: ☐PAUCP ☐PADGS ☐Non PA Certification

(attach copy of certification)

Non-Profits including Faith Based Organizations

☐Faith Based Non-Minority

☐ Faith Based Minority

☐ African American Non-Profit

☐ Other Non-Profit

Outreach Manager Interface ☐ Yes ☒ No

Industry Classification by NAICS Code

Primary Industry 54

Secondary Industry (if applicable) _____

*If code is not known go to http://www.census.gov/epcd/naics02/naicod02.htm and select the correct code.

Required Information

Supplier/Remit To Information (Search Type "V") – (Where check will be mailed for payment. Check must be made payable to exact name listed under TIN provided or check cannot be processed.)

Please print or type

Supplier/Payee Name	Carole Hussey		
Address Line 1	Public Consulting Group		
Address Line 2	148 State Street, 10th Floor		
City	Boston	State	MA
ZIP Code	02109		
Telephone Number	617-426-2026		
Fax Number	617-426-4632		

*If the "remit to" information provided on form does not match invoices submitted for payment, the Controller's Office MUST contact supplier to verify address information before payments are processed. Thank you for your cooperation.

If the Allegheny County Department with which you do business is known, providing the information below will help in the processing of your payments. Failure to include the information may result in processing delays.

Allegheny County Departmental Contact

Name	Maria Wallace
Telephone No.	(412) 350-7144
Fax No.	412-350-3414
EMail Address:	DHSproposal@AlleghenyCounty.us

Supplier/Payee Contact Name

Name	Carole Hussey
Telephone No.	617-426-2026
Fax No.	617-426-4632
Email Address:	Chussey@pcgus.com

e. CV/Resumes

e. CV/RESUMES

Carole Hussey
Associate Manager
Public Consulting Group, Inc.

RELEVANT PROJECT EXPERIENCE

Commonwealth of Pennsylvania – Department of Public Welfare

<u>IT Planning and Consulting Services</u>
As an Associate Manager, Ms. Hussey is responsible for leading a team providing IT planning and consulting services to the Pennsylvania Department of Public Welfare. This highly-experience team of consultants provides strategic planning, business requirements elicitation, testing, training, helpdesk and post implementation support services. The programs and systems managed are used by tens of thousands of users statewide, including private providers, counties, and state staff. Recent projects include a feasibility study for an enterprise case management solution, and the implementation of a web-based Dashboard that resulted in business process improvements through automated work flow and rules engine functions to automate service plan approvals for home and community based services. Ms. Hussey serves as the Project Director and provides contract management and oversight activities for the project.

<u>Automated Child Welfare SACWIS Feasibility Study and Alternatives Analysis</u>
As an Enterprise Project Manager working for the PA Governor's Office for Information Technology, Ms. Hussey provided project management oversight for the Child Welfare Feasibility Study and Alternatives Analysis project for the Office of Children, Youth, and Families. The project included an as-is/to-be process, gap analysis, alternatives analysis, and federal procurement support for APD preparation. Responsibilities included project management duties including management of scope, schedule, budget, risks, communications, and resources.

<u>Pennsylvania Statewide Adoption Network (eVectis Technologies)</u>
As IT Project Manager, responsible for providing information technology planning, integration, testing, and overall technical support to PA Department of Welfare Statewide Adoption Network (SWAN). Activities included all phases of the software development lifecycle including business requirements, business process reengineering, UAT

planning and oversight, and implementation support activities. Managed a team of application developers, database designer, documentation specialists, in the development and maintenance of various software applications, as well as network and desktop support staff which maintains network infrastructure, availability, and enhancements to support project team, comprised of both local and remote users.

PROFESSIONAL EXPERIENCE

Public Consulting Group, Inc.

Associate Manager

Serving as an Associate Manager for the Human Services practice, Ms. Hussey joined PCG in January of 2010. Ms. Hussey leads business development and delivery teams in IT Planning and Consulting engagements for public sector human services clients nationwide. Serving in various roles, she has led efforts for many large scale, high-risk, enterprise initiatives in various program and functional areas including Medicaid Cost Reporting, Integrated Eligibility, SNAP/TANF, SACWIS, Case Management systems, Automated Test Tools, and Document Imaging solutions.

Recent projects include the AZ Childs Replacement Requirements, NY Universal Incident Management Feasibility Study, MA DTA Electronic Document Management project, and PA IT Consulting Support and Services contract for the PA Department of Human Services.

Ms. Hussey has presented at many events and national conferences on topics such as vendor management, technology planning and consulting, project management methodologies, and data and predictive analytics. She serves as an industry representative on the American Public Human Services Association National Collaborative data analytics committeee and the Human Services Information Technology Advsory Group (HSITAG).

Commonwealth of Pennsylvania, Office for Information Technology

Enterprise Project Manager

As an Enterprise Project Manager for the Governor's Office for Information Technology, Ms. Hussey was responsible for providing project oversight and guidance to ensure that department specific projects are managed in accordance with the strategic direction of the Commonwealth. In her current assignment, Carole provided Project Management expertise to the Department of Public Welfare for a Feasibility Study and Alternatives Analysis project for the Office of Children, Youth, and Families (OCYF). The year-long study was intended to define a technology solution and a corresponding Strategic Implementation Plan for OCYF that will serve as a roadmap for the organization for the next five years. The project followed the Commonwealth's Enterprise Project Management Methodology (EPMM) that was aligned with the Project Management Institute's Project Management Book of Knowledge (PMBOK). She also provided vendor and contract management activities.

eVectis Technologies

Solution Architect
As a Solution Architect, Ms. Hussey provided technology consulting services for a variety of engagements across various domains in the private and public sectors. As the IT Project Manager, she was responsible for providing information technology planning, integration, testing, and overall technical support to the PA Department of Welfare Statewide Adoption Network (SWAN). She managed a team of application developers, database designer, documentation specialists, in the development and maintenance of various software applications, as well as network and desktop support staff which maintains network infrastructure, availability, and enhancements to support project team, comprised of both local and remote users. Activities encompassed all phases of software development lifecycle including business requirements definition, business process reengineering, design, development, all testing phases, deployment, and implementation support.

While at eVectis, Ms. Hussey was also responsible for leading an effort to analyze system documentation for All Health, an association for health care providers in central Pennsylvania. For this engagement, she managed the technical team to identify a timeline and plan for delivery of services to client, provided ongoing, ad-hoc system support services for their website and portal issues that required

additional technical expertise to resolve. Ms. Hussey also led several focused project initiatives for PennDOT in support of the Commonwealth MySAP system implementation. Tasks included: business analysis, web-based system development, process flow mapping, and the development and delivery of end-user training solutions. Ms. Hussey managed a “combined team” of third party developers and PennDOT employees in the completion of these initiatives with a very tight timeline. Project tasks and deliverables needed to be scheduled, completed, and delivered to systems integrators completing the SAP implementation for the Commonwealth.

Provion

Solution Architect
As a Solution Architect, Ms. Hussey served as the liaison between Provion clients, business development staff, and the technical team. She supported the development and completion of project proposals to meet client business requirements and business development targets. Developed detailed project plans with project milestones, time frames, staff requirements, and areas of risk (as well as, risk mitigation). In Project Management for a major online student loan company, established management reporting tools and processes for project teams. Responsible for establishing and managing the change control process. Working with the Vice President of Business Development, served as client account manager and internal client advocate for projects under contract and being completed by project teams. Mentored and managed other project managers and support staff.

Citcorp Credit Card Services, Inc.

IT Project Manager
Ms. Hussey planned, directed, and promoted the realization of an Automated Testing Solution for the North American Bankcards Division by defining the strategic and tactical plans with an initial budget of $[redacted]. Implemented quality control and budgetary management processes to ensure the successful implementation and ongoing operation of the unit. Utilized SEI’s CMM for managing projects under the PMO standards define for the Bankcards Information Technology group, and participated on the CMM team for continued process improvement. Led a team of multiple business

groups, vendors, and personnel. Managed installation and configuration of the infrastructure and managed staff to provide maintenance and support of the system. Managed the construction and opening of new testing lab, handled procurement and upstart of all facets of Automated Test Tools System group. Managed and implemented Domino.doc, a document management project for over 5,000 users, planned and managed the first Citibank Cards' intranet system, and served on the project team for delivery of the first Internet Credit Card Application for Citibank. Developed and delivered an Intranet training program & course curriculum for delivery to the operations managers at the Hagerstown and Sioux Falls locations.

PROFESSIONAL QUALIFICATIONS

Project Management Institute
Project Management Professional (PMP)
PMP # 1259895

EDUCATION

Duquesne University
Bachelor of Science, Business Management

Joe Baile
IT Program Manager
Public Consulting Group, Inc.

RELEVANT PROJECT EXPERIENCE

State of Arizona - Department of Child Safety

SACWIS Replacement Feasibility Study
Project Manager
Leading project team and liaising with client for formal feasibility study to replace existing SACWIS-compliant CHILDS system. Project work includes requirements analysis and creation, cost benefit analysis, identification of solution options, and recommendation of proposed solution. Project work will be used to create IAPD and system vendor RFP.

State of New York - Department of Health

Early Intervention State Fiscal Agent
Project Management Office Manager
Coordinating all project management activities across teams working to implement Medicaid and Third Party Liability claiming, provider support, and business process redesign.

Commonwealth of Pennsylvania - Department of Public Welfare

IT Support and Services: PELICAN
Project Manager
Managing IT and business analysis team to support enhancement and maintenance of large-scale statewide enterprise IT system, PELICAN, which supports early childhood and early intervention services. The scope of services includes strategic planning, requirements collection and validation, training, user communications, and project management.

California San Diego County - Health and Human Services Agency

TANF Welfare-to-Work Employment Service
IT Project Manager
Managing development of case management and data analysis system to support project with the County of San Diego Health and Human Services Agency (HHSA) to provide service management services for individuals in the CalWORKs and Refugee assistance programs, including providing supportive service payments such as child care

and transportation services that reduce the dependence on public assistance and that prepare employable individuals to successfully transition from welfare to work and remain self-sufficient.

District of Columbia - Department of Health Care Finance

Administration Services Organization
Project Manager
Managing construction of claiming quality control engine to verify accuracy and supporting documentation for DC Medicaid claims submitted to Fiscal Agent.
DC needed to improve the accuracy and supporting documentation for their Medicaid claims. This projects is the administrative service organization to improve and validate those goals. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison – also working with business teams to define and validate requirements.

Commonwealth of Pennsylvania - Department of Public Welfare

SACWIS Analysis and Feasibility Study
Project Manager
Managed large scale contractual services project, including supervising twenty-one employees under the scope of the project as described below. Project Description: Project recommended a solution that meets the convergence of needs for ACF, the state agencies, and the individually autonomous counties. Project covered scope from initial information gathering through assessment and cost benefit analysis, to creating IAPD and RFPs for recommended solution. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

District of Columbia - Department of Youth Rehabilitation Services

Juvenile Case Management System
Project Manager
Managed large scale contractual services project, including supervising twelve employees under the scope of the project as described below.

Managed large scale contractual services project, including supervising thirteen employees under the scope of the project as described below. Project Description: Case management system to track care and provider services provided by the District of Columbia detention and rehabilitation facilities. System is currently being implemented using the Harmony product. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

States of Illinois - **Michigan, North Carolina and Florida**

<u>Medicare Part D Claiming for Acute Care Facilities</u>
Project Manager
Managed medium scale contractual services project, including supervising five employees under the scope of the project as described below. Project Description: PCG Medicare Part D Claiming Engine, currently managing claims for Illinois, North Carolina and Florida Acute Care Facilities. Engine has full capabilities for claims roll-up from pharmacy scripts, formatting, rejection and resubmission management and reporting. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

State of Tennessee - Department of Education

<u>Statewide Student Information System</u>
Project Administrator
Managed large scale contractual services project, including supervising twelve employees under the scope of the project as described below. Project Description: Statewide schools information system for regular and special education. Responsibilities: Managing the schedule, issues, changes and risk management programs. Also creating and implementing the processes for Support and Host Site practices.

State of Louisiana - Office of Public Health

<u>Encounter Information and Billing System</u>
Project Manager
Managed large scale contractual services project, including supervising seven employees under the scope of the project as described below. Project Description: Clinical system to

track services provided by the Louisiana walk-in clinics, and bill Medicaid claims. System was implemented and deployed within short deadline, to ensure claiming deadlines met. Project investigated feasibility of options for collecting data through designing and developing application. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

Commonwealth Care Alliance - Boston, Massachusetts

<u>Provider and Member Information System</u>
Project Manager
Managed small scale contractual services project, including supervising three employees under the scope of the project as described below. Project Description: Provider and Member Information System for new managed care provider. System used PCG Lynx technologies, extended to use STRUTS framework for form management. Project investigated feasibility of options for systems, designing and developing Member/Provider Directory System and writing RFPs for other systems.
Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

School District of Philadelphia (SDP)

<u>Special Education Information System</u>
Assistant Project Manager and Technology Lead
Project Description: Review and optimization of business processes for special education in the SDP, and implementation of a special education information system to support these with automated data collection and reporting. Responsibilities: Managing the schedule, issues, changes and risk management programs. Also coordinating business and technical teams, and working with SDP hosting team.

Public Consulting Group, Inc.

<u>PCG Knowledge Net</u>
Project Manager
Managed small scale contractual services project, including supervising three employees under the scope of the project as described below. Project Description: Internal PCG knowledge management application, which supports our

project and internal processes and is the dissemination center for information on such items as HIPAA, Compliance and project best practices. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

Medicom - Boston, Massachusetts

<u>HIPAA Messaging Application</u>
Project Manager
Managed small scale contractual services project, including supervising four employees under the scope of the project as described below.
Project Description: dot.com initiative to build a messaging system for health care organizations to take advantage of HIPAA regulations. Responsibilities: Full project management responsibilities including risk management, scheduling and budgeting, task assignment, and client liaison.

PROFESSIONAL QUALIFICATIONS
Project Management Institute
Project Management Professional (PMP)
PMP # 453848

EDUCATION

UK Open University
Diploma in Business Studies
1994 to 1996

London Metropolitan University
Master of Information Science
1984

Manchester University
The University of Manchester
Bachelor of Arts in Architecture
1976 to 1979

Stacey Priest
Consultant
Public Consulting Group, Inc.

RELEVANT PROJECT EXPERIENCE

Commonwealth of Pennsylvania- Department of Public Welfare

Title IV-E Compliance Services:
Since 2009, served as a Senior Title IV-E Quality Assurance Specialist, which includes the random moment time study project for the 67 counties in Pennsylvania. Responsibilities include coordinating, scheduling, and providing quality assurance and technical assistance to counties regarding Title IV-E maintenance and administrative claiming. The random moment time study project involves the analysis of case workers case file documentation to assist in IV-E administrative claiming. In addition, consultation is provided on a wide range of issues including adoption assistance, the implementation of a guardianship assistance program, and other fiscal/program activities. PCG recently assisted Pennsylvania in passing their federal IV-E audit.

Title IV-E Audit Preparation:
Assisted with audit preparation efforts to prepare OCYF for their Administration of Children and Families audit. Completed a thorough review of all files and removed all necessary information from received files and created new files containing all pertinent information to be reviewed for the federal audit. Researched policy/regulations to create a defense for potential issues.

Commonwealth of Massachusetts- Department of Children and Families

ACF Title IV-E Audit Preparation and Support
Lead Consultant: Providing Title IV-E quality assurance, policy reviews, and procedural recommendations. The team will also compile cases for federal review, provide Title IV-E policy support and on-site audit assistance.

Commonwealth of Kentucky- Department for Community-Based Services

Title IV-E Assessment and Revenue Enhancement
Conducted a Title IV-E eligibility business process review. Identified recommendations to enhance both claiming and compliance. Provided policy clarifications. Reviewed Title IV-

E cases that were determined Not Eligible for potential revenue opportunity.

Title IV-E Policy & Procedures Manual
Developed a comprehensive Policy & Procedures Manual for new & existing fiscal staff to utilize.

PROFESSIONAL EXPERIENCE

Westmoreland County Children's Bureau
Caseworker
Coordinated services for children and families to ensure a safe environment. Interviewed children, families, referral sources and professionals. Provided permanency and adoption services to children, biological, foster and adoptive families. Prepared court reports and testified to facts of cases. Collaborated with criminal, medical, legal and other professionals.

EDUCATION

Lock Haven University
Bachelor of Science – Social Work

Clark University
Master of Business Administration (in progress)

John Ferrante
Technical Business Analyst
Public Consulting Group, Inc.

Technical expertise and knowledge transfer

Incorporate technical knowledge to improve business processes and translate subject matter to Human Services staff

Understand best practices to develop processes and procedures

Demonstrated ability to understand process and make recommendations based on known best practices.

RELEVANT PROJECT EXPERIENCE

State of Arizona – Department of Child Safety (DCS)

<u>Children's Information Library and Data Source (CHILDS) Replacement Project (Phase 1) – Requirements Elicitation</u>
Instrumental in the development and execution of the Project Master Plan to replace Arizona's outdated child welfare case management system. Acted as the Lead Facilitator in JAD sessions to gather requirements for the new Statewide Automated Child Welfare Information System (SACWIS). The Lead Facilitator developed and led requirements gathering activities such as executive interviews, focus groups, JAD sessions, and surveys.

City of Detroit – Office of Central Finance (OCF), Office of Grants Management (OGM)

<u>Grants Management System Implementation Support - Process Mapping and Software Implementation</u>
Led OGM in revisions of previously drafted SOPs so they were in line with national best practices for grants management. Mapped out OGM's processes broken down by organizational roles. Worked closely with OGM Director and Associate Directors to strategize change management for the implementation of eCivis, a grants management software. Worked with outside vendor to create automated template processes aligning eCivis with future state OGM procedures. Trained management-level staff on how the system would integrate into their business processes.

State of Florida – Big Bend Community Based Care (BBCBC), Managing Entity

<u>Financial Monitoring of Substance Abuse and Mental Health (SAMH) Providers</u>
Conducted financial monitoring of SAMH providers for BBCBC prior to state mandated audit. Reviewed a sample of client files regarding services rendered to verify they were consistent with Medicaid claims. Made recommendations as to how providers could improve their service codes so that they were in line with State and Federal regulations. Identified methods for BBCBC to enhance their management of local SAMH providers.

Commonwealth of Massachusetts - Executive Office of Health and Human Services (EOHHS), Department of Transitional Assistance (DTA)

<u>Business Process Redesign – IES Phase II</u>
Spearheaded PCG's participation in the design and rollout of a new statewide phone system staffed by SNAP case workers. This included leading Joint Application Design (JAD) sessions for a statewide Interactive Voice Response (IVR) system based on an Aspect/Voxeo platform and working with EOHHS IT and Verizon to incorporate DTA into a legacy CISCO call center system. Helped develop system requirements and prioritize system enhancements based on organizational objectives.

Worked with EOHHS IT to manage and oversee design of these systems around DTA's business requirements including editing design documents using Microsoft Visio and acting as a proxy for EOHHS in meetings with subcontractors.

Worked with DTA's training unit to prepare SNAP Case Managers for a new statewide virtual call centers. Identified the capacity and information needs of workers to handle calls exiting the IVR in a timely and efficient manner.

Knowledge of IT systems and data maturity management

DTA Phase II demonstrated an effort to improve organizational data management and develop a new roadmap for enterprise-wide IT systems.

Acted as liaison with central office administrators charged with overseeing the rollout of the new Statewide Assistance Line (IVR and virtual call center). Designed and administered training on how to use CISCO WebView reporting tools to monitor DTA's phone system.

Provided operational support to statewide offices and central administrators for several months following launch of the statewide phone system.

Commonwealth of Massachusetts - Executive Office of Health and Human Services (EOHHS), Department of Transitional Assistance (DTA)

<u>Integrated Eligibility System Phase II</u>
Assisted in rollout of Phase II implementation plan to introduce Electronic Document Management in offices across Massachusetts. Conducted site visits to monitor adherence to new policy and procedures in field operations.

Professional and graduate-level experience with technology projects

Managed beta-test and user acceptance of new technology in the private sector.

Involved in various projects utilizing technology for education, public safety, and public interest projects.

Conducted field surveys and data gathering to develop modeling of estimated call volumes for statewide DTA phone system. Identified types of calls and critical functions to be handled by phone system. Worked with vendor and sub-contractor to create designs for IVR phone tree and SNAP case worker phone queue.

Worked with EHS IT to develop use cases for a Master Data Management agreement for data matching and sharing between DTA and Masshealth based on current EOHHS policy. Simultaneously created data matching scenarios based on a data management maturity model which would require future policy enhancements.

PROFESSIONAL EXPERIENCE

Deja View Concepts, Inc. – Project Manager
Guided beta-test from conception through implementation for a patent-pending social media and tourism technology. Gathered data on user acceptance and acted as intermediary between business/client and software developers.

Massachusetts Public Interest Research Group (MASSPIRG) – Research Intern
Aggregated state and national data on transportation trends. Wrote state edition of "Moving Off the Road" (USPIRG report). Used Tableau to conduct data analytics and visualizations for publication.

Boston Cyclists Union – Government and Research Intern
Received Commendation from the Commissioner of the Boston Police Department for work on the first Bicycle and Pedestrian Crash Analysis Report. Participated in data cleansing and coding for analysis. Identified statistical analysis tool (PBCAT) used to analyze data on hazards to public safety around the City of Boston.

Community Action Programs Inner-City (CAPIC) Head Start –Program Evaluator
Part of a team which designed an evaluation plan of the instructor assessment technologies Teaching Strategies Gold for Head Start programs in Chelsea, Revere, and Winthrop, MA.

Massachusetts State House – Legislative Aide

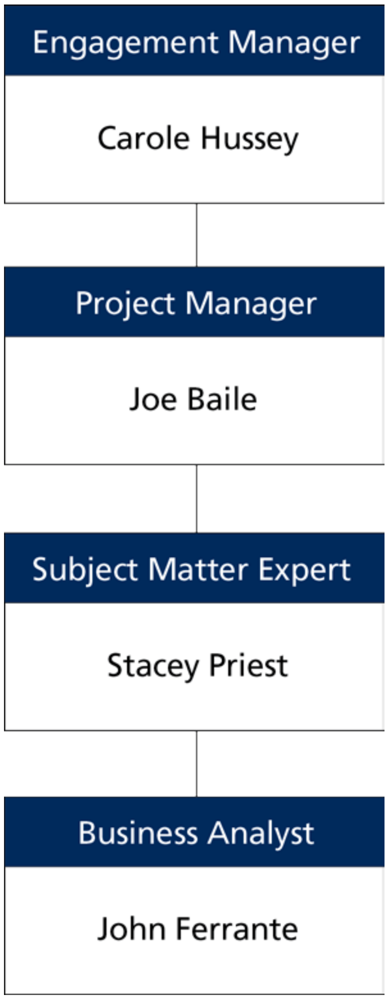
EDUCATION

Northeastern University
Master of Science – Public Policy and Urban Affairs

Boston College
Bachelor of Arts – American History

f. Organizational Chart

f. ORGANIZATIONAL CHART



g. Budget Excel Document and Audited Financial Statements

g. BUDGET EXCEL DOCUMENT AND AUDITED FINANCIAL STATEMENTS

Attached in the submission email you will find a separate budget Excel document.

PUBLIC CONSULTING GROUP, INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

DiCicco, Gulman & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS
Professional Excellence On A Personal Level℠

PUBLIC CONSULTING GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015 AND 2014

Table of Contents

DiCicco, Gulman & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS
Professional Excellence On A Personal Level℠

Independent Auditors' Report

To the Board of Directors and Shareholders
Public Consulting Group, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Public Consulting Group, Inc. and its Subsidiaries, which comprise the consolidated balance sheets as of June 30, 2015 and 2014, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Public Consulting Group, Inc. and its Subsidiaries as of June 30, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Di Cicco, Gulman & Company LLP

September 24, 2015

PUBLIC CONSULTING GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

[redacted]	[redacted]	[redacted]
ASSETS		
[redacted]	[redacted]	[redacted]
Goodwill	[redacted]	[redacted]
	[redacted]	$ [redacted]
LIABILITIE [redacted] RS' EQUITY		
Current liabilities:		
Current portion of long-term [redacted]	$ [redacted]	$ [redacted]
Accounts payable	[redacted]	[redacted]
Accounts payable - cl [redacted] ment	[redacted]	[redacted]
Current portion of [redacted]	[redacted]	[redacted]
Current portion [redacted]	[redacted]	[redacted]
Total cu [redacted]	[redacted]	[redacted]
Long-term debt, net [redacted] ortion	[redacted]	[redacted]
Deferred revenue, net o [redacted] ent portion	[redacted]	[redacted]
Accrued expenses, net of current portion	[redacted]	[redacted]
Deferred rent	[redacted]	[redacted]
Total liabilities	[redacted]	[redacted]
Shareholders' equity:		
Common stock	[redacted]	[redacted]
Stock subscriptions receivable	[redacted]	[redacted]
Retained earnings	[redacted]	[redacted]
Non-controlling interests	[redacted]	[redacted]
Total shareholders' equity	[redacted]	[redacted]
	$ [redacted]	$ [redacted]

The accompanying notes are an integral part of the consolidated financial statements.

PUBLIC CONSULTING GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

For the years ended June 30,	2015	2014
Revenue	$ [redacted]	$ [redacted]
Operating expenses:		
Advertising and business promotion	[redacted]	[redacted]
Amortization	[redacted]	[redacted]
Bad debts and allowances	[redacted]	[redacted]
Business services	[redacted]	[redacted]
Contract and temporary labor	[redacted]	[redacted]
Denied claims and allowances, net	[redacted]	[redacted]
Depreciation	[redacted]	[redacted]
Donations	[redacted]	[redacted]
Employee related expenses	[redacted]	[redacted]
Impairment loss	[redacted]	-
Information technology and communications	[redacted]	[redacted]
Insurance	[redacted]	[redacted]
Office expense	[redacted]	[redacted]
Other employee benefits	[redacted]	[redacted]
Other expenses	[redacted]	[redacted]
Payroll taxes	[redacted]	[redacted]
Professional fees	[redacted]	[redacted]
Rent expense	[redacted]	[redacted]
Retirement plans	[redacted]	[redacted]
Salaries	[redacted]	[redacted]
Travel	[redacted]	[redacted]
	[redacted]	[redacted]
Income from operations	[redacted]	[redacted]
Other income (expense):		
Interest expense	[redacted]	[redacted]
Equity in earnings of affiliate	-	[redacted]
Other income, net	[redacted]	[redacted]
Retirement and abandonment of equipment and improvements	[redacted]	[redacted]
	[redacted]	[redacted]
Income before income taxes	[redacted]	[redacted]
Income taxes	[redacted]	[redacted]
Net income	[redacted]	[redacted]
Net income attributable to non-controlling interests	[redacted]	[redacted]
Net income attributable to Public Consulting Group, Inc. and Subsidiaries	$ [redacted]	$ [redacted]

The accompanying notes are an integral part of the consolidated financial statements.

PUBLIC CONSULTING GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	Common stock	Stock subscriptions receivable	Retained earnings	Total	Non-controlling interests	Total
Balance, June 30, 2013	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Issuance of common stock	[redacted]			[redacted]		[redacted]
Repayments on stock subscriptions receivable for issuance of common stock		[redacted]		[redacted]		[redacted]
Contributions					[redacted]	[redacted]
Distributions			[redacted]	[redacted]	[redacted]	[redacted]
Repurchase of common stock	[redacted]		[redacted]	[redacted]		[redacted]
Net income			[redacted]	[redacted]	[redacted]	[redacted]
Balance, June 30, 2014	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Issuance of common stock	[redacted]			[redacted]		[redacted]
Stock subscriptions receivable for issuance of common stock, net		[redacted]		[redacted]		[redacted]
Distributions			[redacted]	[redacted]	[redacted]	[redacted]
Repurchase of common stock	[redacted]		[redacted]	[redacted]		[redacted]
Exercise of common stock options	[redacted]			[redacted]		[redacted]
Net income			[redacted]	[redacted]	[redacted]	[redacted]
Balance, June 30, 2015	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended June 30,	2015	2014
Cash flows from operating activities:		
Net income	$ [redacted]	$ [redacted]
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	[redacted]	[redacted]
Bad debts and allowances	[redacted]	[redacted]
Denied claims and allowances, net	[redacted]	[redacted]
Impairment loss	[redacted]	-
Retirement and abandonment of equipment and improvements	[redacted]	[redacted]
Equity in earnings of LobbyGuard Solutions, LLC	-	[redacted]
Issuance of common stock and stock options as compensation	[redacted]	[redacted]
Deferred rent	[redacted]	[redacted]
Changes in operating assets and liabilities:		
Accounts receivable, trade	[redacted]	[redacted]
Program funds receivable	[redacted]	[redacted]
Prepaid expenses and other current assets	[redacted]	[redacted]
Other assets	[redacted]	[redacted]
Accounts payable and accrued expenses	[redacted]	[redacted]
Deferred revenue	[redacted]	[redacted]
Total adjustments	[redacted]	[redacted]
Net cash provided by operating activities	[redacted]	[redacted]
Cash flows from investing activities:		
Payments for business acquisitions	[redacted]	[redacted]
Contingent consideration payments on acquisitions	[redacted]	-
Advances to shareholders under notes receivable	[redacted]	[redacted]
Repayments from shareholders under notes receivable	[redacted]	[redacted]
Acquisition of equipment and improvements	[redacted]	[redacted]
Acquisition of intangible assets	[redacted]	-
Net cash used in investing activities	[redacted]	[redacted]

(Continued)

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

For the years ended June 30,	**2015**	2014
Cash flows from financing activities:		
Repayments of long-term debt	$ [redacted]	$ [redacted]
Proceeds from issuance of common stock	[redacted]	[redacted]
Collection of stock subscriptions receivable	[redacted]	[redacted]
Distributions to shareholders	[redacted]	[redacted]
Distributions to non-controlling interest	[redacted]	[redacted]
Repurchase of common stock	[redacted]	[redacted]
Proceeds from exercise of common stock options	[redacted]	-
Contributions from non-controlling interests	-	[redacted]
Net cash used in financing activities	[redacted]	[redacted]
Net increase in cash and cash equivalents	[redacted]	[redacted]
Acquired cash and cash equivalents	-	[redacted]
Cash and cash equivalents, beginning	[redacted]	[redacted]
Cash and cash equivalents, ending	$ [redacted]	$ [redacted]

Supplemental disclosure of cash flow information

Cash paid for:

Interest expense	$ [redacted]	$ [redacted]
Income taxes	$ [redacted]	$ [redacted]

Non-cash disclosure:

During the year ended June 30, 2014, the Company acquired equipment through a capital lease in the amount of [redacted]

The accompanying notes are an integral part of the consolidated financial statements.

Note 1 - Basis of Presentation and Description of Business

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Public Consulting Group, Inc. ("PCG") and its wholly-owned and majority-owned subsidiaries (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated. Non-controlling interest represents the non-controlling members' share of equity in PCG's majority-owned subsidiaries. Certain subsidiaries operate principally in countries outside of the United States.

Certain subsidiaries are organized as limited liability companies and will continue in perpetuity until they are dissolved and their affairs are wound up in accordance with the operating agreements. The members have no further obligation to contribute additional amounts of capital. In addition, the members' liability for any debts is limited.

Description of the Business

The Company provides strategic, management and process consulting, administrative support services, and technology solutions to governmental agencies and commercial enterprises worldwide. Public Partnerships, LLC, a majority-owned subsidiary, is a financial management service organization that assists state, county, and local public agencies and their agents implement a consumer directed service model. Revenues from outside of the United States were not material to the consolidated financial statements for the years ended June 30, 2015 and 2014.

Subsequent Events

The Company has evaluated subsequent events through September 24, 2015, the date the consolidated financial statements were approved and authorized for issuance by management, and determined that, except as disclosed herein, there have been no subsequent events that would require recognition in the consolidated financial statements or disclosure in the notes to the consolidated financial statements.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions are used for, but not limited to, the allowance for doubtful accounts for accounts receivable, the allowance for claims established for the program funds receivable, the valuation of assets acquired and liabilities assumed in business combinations, revenue recognition for services under fixed-price and performance-based contracts, and revenue recognition under contracts with multiple deliverables. Future events cannot be predicted with certainty. The accounting estimates will change as events occur, experience is acquired and information is obtained. Actual results could differ from those estimates.

Note 2 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents
The Company considers all highly liquid investments purchased with original maturities of three months or less or financial instruments readily convertible to cash without significant penalty such as certificates of deposit, to be cash equivalents. The Company maintains its cash and cash equivalents with major financial institutions. Accounts at each banking institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to [redacted] per depositor, per insured bank, for each ownership category. As of June 30, 2015 amounts on deposit that are in excess of FDIC coverage amounted to approximately $[redacted] Additionally, cash held in foreign countries, which is not insured, amounted to approximately $[redacted] at June 30, 2015. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk.

Client Funds Under Management
The Company's contracts with state, county, and local public agencies (collectively referred to as "Public Agency") may require the management of, collection from, and disbursement of, Public Agency funds to third parties. Upon entering into a contract the Company establishes a separate noninterest-bearing account ("Service Accounts") at a major financial institution to manage these funds. At certain times, the balances were in excess of federally insured limits. The Company has not experienced any losses from the Service Accounts and does not believe it is exposed to any significant credit risk. Amounts due to third parties are a component of accounts payable – client funds under management on the consolidated balance sheets. As of June 30, 2015 certain amounts on deposit are in excess of the FDIC coverage.

Accounts Receivable, Trade
The Company carries its accounts receivable, trade at the amount invoiced or expected to be invoiced less an allowance for doubtful accounts. The Company routinely assesses the financial strength of its customers and an allowance for doubtful accounts is established based on a detailed review of the accounts receivable and management's expectation of collecting less than full payment on the amount invoiced. Accounts receivable are written off after it is evident that the collection effort has little or no chance of success. Recoveries of previously written off accounts receivable are recorded in the period received. The Company does not charge interest or require collateral on accounts receivable.

Program Funds Receivable / Management of Public Agency Funds
At times, the Company advances funds to the Service Accounts for disbursement to third parties before receiving designated funds from the appropriate Public Agency. These amounts are reported as program funds receivable on the Company's consolidated balance sheets.

Under certain circumstances the Company may not be reimbursed fully for all program funds receivable as a result of denied reimbursements ("Denied Claims"). The Company establishes an allowance for the Denied Claims it estimates will not be resolved in its favor. The allowance is estimated based on a detailed review of the specific programs, the individual claims at issue, and the availability of additional information to satisfy the denial. Based upon the Company's experience, the outcome of its efforts to satisfy certain claim denials cannot be predicted with certainty. As a result, revisions to the allowance may be required and are recorded in the period determined. The Company has not experienced any material losses from these advances to the Service Accounts and does not believe it is exposed to any significant credit risk

Note 2 - Summary of Significant Accounting Policies (Continued)

Equipment and Improvements
Equipment and improvements are stated at historical cost. Major additions and improvements are capitalized, while maintenance and repairs are charged to expense as incurred. Depreciation is calculated using the straight-line method over useful lives of three to seven years. Leasehold improvements are amortized on a straight-line basis over the shorter of the term of the lease or the useful life of the asset. When equipment and improvements are retired, abandoned, or otherwise disposed, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is reflected in the consolidated statements of income.

The Company capitalizes eligible costs associated with software developed or obtained for internal use in accordance with accounting principles generally accepted in the United States of America. Significant costs associated with the development of software for internal-use are capitalized if the software is expected to have a useful life beyond one year and are amortized over the software's estimated useful life. Costs associated with preliminary stage software development, or maintenance, are expensed as incurred.

The Company evaluates the recoverability of its long-lived assets, other than intangible assets and goodwill, whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability of these assets is measured by comparison of their carrying amount to the future undiscounted cash flows the assets are expected to generate over their remaining economic lives. If such assets are considered to be impaired, the impairment to be recognized in earnings equals the amount by which the carrying value exceeds their fair value determined by either a quoted market price, if any, or a value determined by utilizing a discounted cash flow technique. If such assets are not impaired, but their useful lives have decreased, the remaining net book value is recovered over the revised useful life. The Company has not recognized any impairment charges to date on long-lived assets.

Intangible Assets
The Company's intangible assets consist of identifiable assets with finite lives that have been acquired through business acquisitions. Acquired software technology and customer lists are amortized on a straight-line basis over their estimated useful life. Non-compete and employment agreements are amortized on a straight-line basis over the life of the contract. Amortizable intangible assets are monitored for impairment as a result of a significant change in the utility of the asset or in the operating environment. If the asset is determined to be impaired it is written down to its estimated fair value. During the year ended June 30, 2015, the Company determined that a segment of its education reporting unit would not produce the revenue, profitability, and cash flows originally forecasted and that the customer lists and domain name from this segment would more likely than not be disposed of significantly before the end of its previously estimated useful life. As a result, the Company determined that the fair value of the intangible assets for this segment were less than their carrying value and recorded an impairment loss of $[redacted] The cost basis of the intangible assets amounted to $[redacted] nd accumulated amortization amounted to [redacted] No impairment loss was recognized during the year ended June 30, 2014.

Note 2 - Summary of Significant Accounting Policies (Continued)

Goodwill

Goodwill represents the excess of consideration transferred over the fair value of the net tangible and identified intangible assets acquired in connection with a business acquisition. Management evaluates goodwill for impairment when circumstances suggest that the carrying value may not be recoverable. Management first assesses qualitative factors to determine whether the existence of events or circumstances leads to a conclusion that it is more likely than not that the fair value of a reporting unit with goodwill is less than its carrying amount for determining whether it is necessary to perform the two-step impairment test. The first step of the impairment test involves comparing the fair value of the applicable reporting unit with the aggregate carrying value, including goodwill. If the carrying amount of its reporting unit exceeds its fair value, management performs the second step of the impairment test to determine the amount of impairment loss. The second step of the impairment test involves comparing the implied fair value of the affected reporting unit's goodwill with the carrying value. During the year ended June 30, 2015, the Company determined that a segment of its education reporting unit would not produce the revenue, profitability, and cash flows originally forecasted and that goodwill from this segment would more likely than not be disposed of. Management determined that the fair value of the segment's goodwill was less than its carrying amount and recorded an impairment loss of [redacted] for the year ended June 30, 2015. Management assessed the qualitative factors impacting its goodwill and determined that the two-step impairment test was not necessary as of June 30, 2014.

Deferred Rent

For leases that contain predetermined fixed escalations of minimum rent, the Company recognizes the related rent expense on a straight-line basis from the date they take possession of the property to the end of the initial lease term. The Company records any difference between the straight-line rent amounts and amounts payable as a deferred rent liability.

Revenue Recognition

The Company's revenue is derived primarily from providing services under contracts with various pricing arrangements. The Company recognizes revenue under contracts when services have been rendered, the fee is fixed or determinable, collectability of the fee is reasonably assured and sufficient contractual documentation has been obtained. The types of contractual arrangements under which services are provided and the method of revenue recognition for each include:

<u>Fixed-Price Contracts</u>

The Company's fixed-price contracts consist primarily of contracts to provide implementation, hosting, support, and maintenance for use of the Company's software. Revenue is generally recognized when earned, as services are provided. Depending on the nature of the underlying deliverable, the Company may recognize revenue based on costs incurred using estimates of total expected contract revenue and costs to be incurred or on a straight-line basis unless evidence suggests that the revenue earned or obligations are fulfilled in a different pattern.

Note 2 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Performance-Based Contracts

The Company recognizes revenue on performance-based contracts when earned, which generally occurs when services have been provided or milestones achieved. For certain performance-based contracts, this may result in revenue being recognized in irregular increments.

Time and Materials

Revenue is recognized as services are rendered.

For contracts that have multiple deliverables, the Company evaluates these deliverables at the inception of each contract and as each item is delivered. As part of this evaluation, the Company considers whether the delivered item has value to a customer on a standalone basis. In situations where the delivered item has standalone value to the customer, the revenue is recognized when the item is delivered. In situations where the delivered item does not have standalone value to the customer, the deliverables are accounted for as a single unit of accounting and the revenue relating to these deliverables is recognized over the duration of the estimated expected customer relationship, which management has generally determined to be the term of the related contract.

The Company is subject to the risk of potential cost overruns on its fixed-price and performance-based contracts. When a loss on a contract is first anticipated, the entire amount of the estimated loss is recognized.

Under certain contracts, costs related to set-up and implementation may be incurred in periods prior to recognizing revenue. These costs are typically expensed in the period incurred.

Unbilled services represent revenues recognized by the Company for services performed but not yet billed. Deferred revenue represents amounts billed or collected in advance of services rendered and is classified as current or long-term based on the Company's estimate of when the requisite services will be provided.

Advertising and Business Promotion

The Company expenses its non-direct response advertising and business promotion costs as incurred.

Income Taxes

For federal and state income tax purposes, PCG and its subsidiaries organized in the United States have elected under the Internal Revenue Code, with the consent of the shareholders, to be treated as an S Corporation and the shareholders include their pro rata share of the income or loss in their individual income tax returns. For its subsidiaries organized outside of the United States, PCG has made elections to disregard these entities as separate legal entities for income tax purposes. No provision for federal income taxes is included in the consolidated financial statements. Income tax expense is provided for foreign and state income taxes since income taxes are imposed by foreign jurisdictions and certain states.

Certain wholly-owned and majority owned subsidiaries are considered to be partnerships for federal and state income tax purposes.

Note 2 - Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)
Accordingly, no provision or benefit for income taxes is included in the consolidated financial statements since the taxable income or loss is reported by the members on their individual income tax returns. Income taxes are provided for local income taxes since income taxes are imposed by certain localities on unincorporated businesses.

Deferred income taxes exist for the estimated future income tax consequences attributable to the cumulative temporary differences between financial and income tax reporting. The principal differences relate to the cash method accounting, the recovery of equipment and improvements through depreciation and the amortization of goodwill. At June 30, 2015 and 2014, the effect of deferred income taxes is not material, and consequently has not been recorded in the consolidated financial statements.

The Company files income tax returns in jurisdictions worldwide. The Company's income tax returns are subject to examination by the various taxing authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amounts reported could be changed at a later date upon final determination by taxing authorities. The Company is no longer subject to examinations by tax authorities for years prior to 2011.

Foreign Currency
The functional currency of the Company's foreign subsidiaries is the U.S. dollar. Foreign currency transaction gains and losses are included in other income, net as incurred and are typically not material to the consolidated financial statements.

Combined foreign net assets of the Company's international subsidiaries as of June 30 were:

	2015	2014
Total assets	**$** [redacted]	$ [redacted]
Total liabilities	[redacted]	[redacted]
	$ [redacted]	$ [redacted]

Fair Value of Financial Instruments
The Company's financial instruments include cash and cash equivalents, accounts receivable, program funds receivable, notes receivable, accounts payable, accrued liabilities, and long-term debt. The carrying values of cash and cash equivalents, accounts receivable, program funds receivable, notes receivable, accounts payable, and accrued liabilities approximate their respective fair values due to the short-term maturity of these instruments. Management has determined that the difference between the fair value and the respective carrying value of the Company's accrued liabilities and long-term debt is not significant to the consolidated financial statements.

Reclassifications
Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the current year presentation. These reclassifications had no impact on previously reported shareholders' equity or net income.

Note 3 - Business Acquisitions

During the year ended June 30, 2014 the Company completed the purchase of three separate businesses through the acquisition of all of their outstanding stock or substantially all of their assets and the assumption of certain liabilities. The businesses, one of which is based in the United Kingdom, provide consulting or technology solutions to clients in the education or health and human services sectors. The Company acquired the businesses for the following consideration:

Cash	$ [redacted]
Deferred obligations	[redacted]
Total	$ [redacted]

The Company accounted for these transactions under the purchase method of accounting. Under the purchase method, the excess of the purchase price over the net identifiable tangible and finite-lived intangible assets is allocated to goodwill. In these transactions, the principal assets acquired by the Company were intangible assets with finite lives which are principally related to software technology and customer contracts and relationships. The results of operations have been included in the consolidated statements of income from the acquisition date. All of the goodwill is expected to be deductible for income tax purposes.

The fair value of the assets acquired and liabilities assumed at the acquisition dates are as follows:

Cash	$ [redacted]
Accounts receivable, trade	[redacted]
Prepaid expenses	[redacted]
Equipment and improvements	[redacted]
Other assets	[redacted]
Intangible assets	[redacted]
Total identifiable assets acquired	[redacted]
Accounts payable	[redacted]
Accrued expenses	[redacted]
Total liabilities assumed	[redacted]
Net identifiable assets acquired	[redacted]
Goodwill	[redacted]
Net assets acquired	$ [redacted]

During the year ended June 30, 2015, the Company recorded a measurement period adjustment in the amount of [redacted] for one of its acquisitions. The measurement period adjustment increased goodwill and contingent consideration.

Note 4 - Accounts Receivable, Trade, Net

Accounts receivable, trade, net consists of the following at June 30:

	2015	2014
Billed	$ [redacted]	$ [redacted]
Unbilled		
Less allowance for doubtful accounts		
	$ [redacted]	$ [redacted]

Note 5 - Program Funds Receivable, Net

Program funds receivable, net consists of the following at June 30:

	2015	2014
Funds transferred to Service Accounts	$ [redacted]	$ [redacted]
Less allowance		
	$ [redacted]	$ [redacted]

Note 6 - Notes Receivable, Shareholders

Notes receivable, shareholders consists of the following at June 30:

	2015	2014
Promissory notes, in connection with payroll taxes owed on grants of restricted common stock, bearing interest at the 30-day LIBOR rate plus a margin, as defined in the agreement (1.53% at June 30, 2015) with principal and interest payments due at various times through December 31, 2020. Interest is due on the last day of each calendar quarter commencing upon execution of the promissory note. Quarterly principal payments commence approximately three years from the execution date and are payable over two to five years from the date of the first payment. The notes are secured by the related shares of common stock.	$ [redacted]	$ [redacted]
Less current portion	[redacted]	[redacted]
	$ [redacted]	$ [redacted]

Note 7 - Equipment and Improvements, Net

Equipment and improvements, net consist of the following at June 30:

	2015	2014
Computers and equipment	$ [redacted]	$ [redacted]
Furniture and fixtures		
Leasehold improvements		
Less accumulated depreciation		
	$ [redacted]	$ [redacted]

Computers and equipment include internally developed software in the amount of [redacted] as of June 30, 2015 and 2014.

The Company abandoned, retired, and disposed of equipment and improvements with a cost basis of $[redacted] and accumulated depreciation of $[redacted] during the year ended June 30, 2015. The Company abandoned, retired, and disposed of equipment and improvements with a cost basis of $[redacted] and accumulated depreciation of $ [redacted] during the year ended June 30, 2014.

Note 8 - Investment in Affiliate

Investment in affiliate represents PCG Capital Partners, LLC's 49%, non-controlling investment in LobbyGuard Solutions, LLC. The Company uses the equity method of accounting for this investment and evaluates the investment for impairment on an annual basis. The Company has not recognized any impairment charges to date on its investment in affiliate. Equity in earnings of affiliate and the change in the investment in affiliate are not material to, and are not recorded in, the consolidated financial statements for the year ended June 30, 2015.

Note 9 - Intangible Assets, Net

Intangible assets, net consist of the following at June 30:

	2015			2014		
	Cost	**Accumulated Amortization**	**Carrying Amount**	Cost	Accumulated Amortization	Carrying Amount
Software technology	$ [redacted]	$ [redacted]				
Customer contracts and relationships	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Other intangible assets with finite lives	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Total intangible assets	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]

Note 9 - Intangible Assets, Net (Continued)

The Company wrote off fully amortized intangible assets of [redacted] during the year ended June 30, 2015.

Amortization for intangible assets with finite lives for the next five years ending June 30 is expected to be as follows:

2016	$ [redacted]
2017	
2018	
2019	
2020	
Total	$ [redacted]

Note 10 - Line of Credit, Bank

The Company has a credit facility with a bank which consists of a $[redacted] revolving line of credit and a $[redacted] term loan facility (see Note 11). The credit facility is collateralized by substantially all the assets of the Company and includes certain administrative and financial covenants common to such agreements.

Advances under the revolving line of credit are due on demand and bear interest at the 30-day LIBOR rate plus a margin, as defined in the agreement (1.69% at June 30, 2015). The revolving line of credit matures on May 17, 2016. No amounts were outstanding under the revolving line of credit at June 30, 2015 and 2014.

The bank also issues letters of credit on behalf of the Company in connection with certain financial agreements. The letters of credit are subject to the overall credit limit. Letters of credit outstanding amounted to [redacted] and $[redacted] at June 30, 2015 and 2014, respectively.

Note 11 - Long-Term Debt

Long-term debt consists of the following at June 30:

	2015	2014
The Company was advanced $[redacted] nder the term loan facility (see Note 10). The term loan is payable in quarterly principal installments escalating from $[redacted] to $[redacted] commencing on September 30, 2013 through May 17, 2018 at which time all outstanding principal (approximately $[redacted] and any accrued and unpaid interest are due. Payments of interest at the 30-day LIBOR rate plus a margin, as defined in the agreement (1.53% at June 30, 2015) are due quarterly through maturity.	**$** [redacted]	$ [redacted]

Note 11 - Long-Term Debt (Continued)

	2015	2014
Obligation under master capital lease agreement payable in monthly installments of approximately [redacted] including interest at 2.90% through April 2018. The obligation is secured by the related equipment.	$ [redacted]	$ [redacted]
Less current portion		
	$ [redacted]	$ [redacted]

Principal payments due on long-term debt through maturity for the years ending June 30 are as follows:

2016	$ [redacted]
2017	
2018	
	$ [redacted]

Note 12 - Incentive Compensation Plan

During the year ended June 30, 2012, the Company established a long-term incentive plan ("LTIP") for certain employees based on the Company's performance. Awards under the LTIP are granted by the Board of Directors at their discretion. Generally, an employee will have no right to receive payment for all or any part of their award until (i) the fifth anniversary of the award, (ii) separation from service as a result of death or disability, or (iii) a change in control. Notwithstanding the preceding provisions, the awards generally vest over a four-year period unless otherwise determined by the Board of Directors. Once entitled to receive payment, the amount is paid equally over twelve quarterly installments.

The aggregate liability at June 30, 2015 and 2014 for awards granted and expected to be paid under the LTIP amounted to [redacted] and $[redacted], respectively. The liability for the awards is reported as a component of accrued expenses, net of current portion in the accompanying consolidated balance sheets.

Note 13 - Shareholders' Equity

Common Stock

At June 30, 2015, the Company has authorized 3,000,000 shares of common stock with no par value of which 250,000 are reserved for issuance upon the exercise of stock options under the Company's 2014 Stock Plan. At June 30, 2015 and 2014, the aggregate number of shares of common stock issued and outstanding are 2,080,057 and 2,104,326, respectively.

During the years ended June 30, 2015 and 2014, the Company issued 24,385 and 7,064 shares of common stock, respectively, to certain shareholders. The shares of common stock were issued in exchange for a combination of cash proceeds and stock subscriptions receivable (see Note 14).

Note 13 - Shareholders' Equity (Continued)

Common Stock (Continued)
In accordance with the shareholders' agreement as amended July 1, 2014, the Company begins repurchasing shares of common stock from a shareholder during the calendar year quarter the shareholder turns age 60. Under certain circumstances, the Company may elect to defer its obligation to repurchase the shares of common stock or change the commencement date of the repurchase. The shares of common stock are repurchased ratably over a five-year or ten-year period depending on the number of shares owned by the shareholder on the date the shareholder reaches age 60. The value of the shares is determined under a formula defined in the shareholders' agreement and is recalculated for each year the common stock is being repurchased.

The Company repurchased 82,447 and 106,031 shares of common stock from shareholders during the years ended June 30, 2015 and 2014, respectively. The Company is expecting to repurchase approximately 90,000 shares of common stock from shareholders during the year ended June 30, 2016. The Company has not determined whether it will exercise its right to defer the repurchase of any of these shares.

The Company also repurchased 8,120 shares of common stock from shareholders during the year ended June 30, 2015 in exchange for a cashless exercise of nonqualified stock options.

Subsequent to June 30, 2015, the Company issued 24,155 shares of common stock, including 8,817 shares of restricted common stock ("Restricted Stock"), and granted 7,440 nonqualified stock options to certain shareholders of the Company.

Restricted Stock
During the year ended June 30, 2015, the Company issued 13,272 shares of Restricted Stock, which vest over a five-year period from the grant date. There were no shares of Restricted Stock granted during the year ended June 30, 2014. All Restricted Stock which has not yet vested in accordance with the forfeiture rights are to be immediately forfeited to the Company upon a shareholder's termination of employment, if such an event occurs. As of June 30, 2015 and 2014, nonvested shares of Restricted Stock amounted to 29,871 and 26,572, respectively. The fair value of the Restricted Stock on the grant date is amortized as compensation expense on a straight-line basis over the lapsing forfeiture period. Compensation expense related to the grant of the Restricted Stock is not material to the consolidated financial statements for the years ended June 30, 2015 and 2014.

Stock Options
On November 13, 2014, the Company established the 2014 Stock Incentive Plan (the "Plan") which superseded the 2004 Stock Plan. Under the terms of the Plan, incentive stock options ("ISOs") may be granted to officers and employees and nonqualified stock options and Restricted Stock may be granted to directors, consultants, officers and employees of the Company. The exercise price of ISOs cannot be less than the fair market value of the Company's common stock on the date of grant. The options vest over a period determined by the Board of Directors, generally five years, and expire not more than seven years from the date of grant. As of June 30, 2015 and 2014, the Company has not granted any ISOs under the Plan.

Note 13 - Shareholders' Equity (Continued)

Stock Options (Continued)
Nonqualified stock option activity under the Plan during the year ended June 30, 2015 is as follows:

	Options
Outstanding at June 30, 2014	71,552
Granted	3,567
Forfeited	-
Exercised	(28,641)
Outstanding at June 30, 2015	46,478
Options exercisable at June 30, 2015	18,481
Options vested or expected to vest at June 30, 2015	46,478

Using a fair value-based recognition model the Company determined that the equity-based compensation for the stock options issued during the years ended June 30, 2015 and 2014 was not material to the consolidated financial statements.

Note 14 - Stock Subscriptions Receivable

In connection with the issuance of common stock to certain shareholders (see Note 13), the Company enters into stock subscription notes receivable ("Stock Notes") with the shareholders. The Stock Notes bear interest at the 30-day LIBOR rate plus a margin, as defined in the Stock Notes (1.53% at June 30, 2015). Principal and interest payments are due on the last day of each calendar quarter commencing with the quarter subsequent to the execution of the agreement. The Stock Notes mature at various times through December 31, 2020.

Future minimum payments for total stock subscriptions receivable under various notes for the years ending June 30 are as follows:

2016	$ [redacted]
2017	
2018	
2019	
2020	
Thereafter	
	$ [redacted]

Note 15 - Commitments and Contingencies

Lease Commitments

The Company conducts its operations from offices in various locations throughout the United States, Canada, Poland, and the United Kingdom. The Company leases its facilities under non-cancellable operating leases, including leases with entities owned by certain shareholders of the Company, which expire at various times through 2024, not including any terms that can be extended at the Company's option. In addition to base rents, a majority of the leases require the reimbursement for operating expenses and real estate taxes. Amounts paid to related parties for rent amounted to $[redacted] and $[redacted] for the years ended June 30, 2015 and 2014, respectively.

Future minimum annual base rents under the non-cancellable lease agreements for the years ending June 30 are as follows:

	Third Parties	Related Parties
2016	$ [redacted]	$ [redacted]
2017	[redacted]	[redacted]
2018	[redacted]	[redacted]
2019	[redacted]	[redacted]
2020	[redacted]	[redacted]
Thereafter	[redacted]	[redacted]
	$ [redacted]	[redacted]

Contingencies

From time to time, the Company may be involved in legal actions arising in the ordinary course of business. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved unfavorably. The Company establishes accruals for losses that management deems to be probable and subject to reasonable estimate.

Note 16 - Retirement Plans

The Company sponsors a 401(k) Profit Sharing Plan ("Retirement Plan") which covers all eligible U.S. employees. Company contributions to the Retirement Plan are at the discretion of the Board of Directors, but may not exceed the maximum allowable deduction permitted under the Internal Revenue Code at the time of the contribution. Canadian employees are covered under a Structured Retirement Savings Plan ("STRP") and a Deferred Profit Sharing Plan ("DPSP"). Employer contributions to the DPSP are at the discretion of the Board of Directors, but may not exceed a maximum of [redacted] as defined in the agreement.

Note 17 - Subsequent Events

During the first quarter of the year ending June 30, 2016, the Company completed the purchase of three separate businesses for an aggregate purchase price of approximately $[redacted] through the acquisition of all of their outstanding stock or substantially all of their assets and the assumption of certain liabilities. The businesses, one of which is based in the United Kingdom and two of which are based in Poland, provide consulting and technology solutions to clients in the education or health and human services sectors. As of September 24, 2015, the allocation of the purchase price for these business acquisitions has not been completed. Upon completion of the purchase price allocation, the Company will account for these transactions under the purchase method of accounting. Under the purchase method, the excess of the purchase price over the net identifiable tangible and finite-lived intangible assets is allocated to goodwill. In these transactions, the principal assets acquired by the Company were intangible assets with finite lives which are principally related to software technology and customer contracts and relationships. The results of operations will be included in the consolidated statements of income from the acquisition date. All of the goodwill is expected to be deductible for income tax purposes.